



U.S. Department of Justice

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EVENT: Guilty Verdict

Defendant: Alan Pighin,

**President of Cement Company Convicted of Perjury and Obstruction of Justice
in Connection with City of Detroit Road-Work Corruption Investigation**

A federal jury in Detroit has convicted the President of Century Cement Company, Alan Pighin, 58, of Temperance, MI, of two counts of perjury and one count of obstruction of justice, in connection with his efforts to impede a federal grand jury investigating allegations of corruption in the City of Detroit's Department of Public Works.

United States Attorney Stephen J. Murphy said, "Lying to a federal grand jury disrupts the fairness and integrity of the criminal justice system. It is conduct that cannot be tolerated -- and the jury, in returning its guilty verdicts today, reinforced this notion. In any federal case, and particularly when the underlying offense involves a matter such as public corruption, witnesses called to testify must realize that perjury will result in aggressive prosecution."

According to court records, a federal grand jury was investigating suspected corruption in the City of Detroit -- specifically, allegations that road contractors were bribing City of Detroit construction inspectors in connection with road and sidewalk related work performed in the

City. During the course of the investigation, federal agents received information that Pighin, the president of Century Cement Company, a City contractor, may have paid bribes to City inspectors. According to the indictment, the agents interviewed Pighin, at which time he admitted that he had twice paid City inspectors to help facilitate certain City-financed construction projects.

The trial jury found that Pighin lied under oath to a grand jury, convened two weeks after the interview, in violation of 18 U.S.C. § 1623(a), when he denied paying City inspectors in connection with his concrete work or the way in which he performed City contracts (count 1). The trial jury also found that Pighin lied to the grand jury when he intentionally failed to tell them that he had installed without charge a concrete driveway at the home of a City of Detroit principal construction inspector who had supervised City contracts performed by Pighin (count 6). Finally, the trial jury found that shortly before Pighin's trial was scheduled to begin in December 2006, Pighin tried to obstruct justice, in violation of 18 U.S.C. § 1503, when he asked the principal construction inspector to testify falsely at the trial that Pighin had installed the driveway at the inspector's house in exchange for masonry work (count 7).¹

Pighin is scheduled to be sentenced before U.S. District Judge Nancy G. Edmunds on August 9, 2007, at 2:00 p.m. The maximum penalties for the perjury offense is five years in prison and a \$250,000 fine. The maximum penalties for the obstruction offense is ten years in prison and a \$250,000 fine. Pighin is currently released on bond pending his sentencing hearing.

The case was investigated by Special Agents of the Federal Bureau of Investigation and the United States Department of Transportation, Office of Inspector General. The case was prosecuted by Assistant U.S. Attorney Mark Chutkow.

¹ Pighin was found not guilty of making a false statement to a federal agent (pled in the alternative to count 1), as well several false declaration counts relating to specific variations of his answer to the main false declaration count (count 1).